



# THANK YOU TEXAS EMPLOYERS

*by* Texas Attorney General Greg Abbott

MORE THAN TWO MILLION TEXAS CHILDREN are being raised by a single mother or father. In most instances, the other parent is obligated by court order to provide financial and medical support to the parent with primary custody. By deducting child support from employee paychecks, Texas employers play a key role in improving the economic security of children who rely on child support to cover many of their basic needs.

The Child Support Division of the Attorney General's Office is authorized by state and federal law to assist families in establishing, enforcing and modifying child and medical support orders; and in collecting and distributing child support payments. For the state fiscal year that ended Aug. 31, the Child Support Division served more than one million families and collected a record-breaking \$3.196 billion in child support.

Achieving that milestone would not have been possible without the help of Texas employers. Money that employers withheld from employee paychecks accounted for more than 80 percent of the \$3.196 billion collected. In addition, by sending 188,292 National Medical Support Notices, employers were able to enroll thousands of children into employer-sponsored health plans.

The Office of the Attorney General would like to recognize and thank employers for the critical role they play in ensuring children receive court-ordered financial and medical support. The Child Support Division applauds all employers who are our key partners in getting support to children in Texas and across the nation.

Deducting child support payments promptly and on a regular basis, as well as reporting terminations of employment, has a direct and significant impact on child and family well-being. These processes aid employed parents in assuming responsibility for their children and reduce the likelihood of falling behind on payments. Children avoid economic hardship because their ongoing needs are being met.

It is sometimes necessary to track down parents whose children are in need of child support. Employers assist our office with this challenging task by regularly reporting the names of newly hired or rehired employees.

Employer new hire reporting is mandated by federal law under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, and requires employers to report newly hired and rehired employees within 20

calendar days of their start date. The employees' names are entered into a statewide registry, and then transmitted to the National Directory of New Hires that helps child support agencies locate parents who are living in other states.

The Attorney General's Office uses information from the state and federal registries to locate parents who owe child support, establish new child support orders, enforce and modify existing orders, and withhold child support payments from wages.

Employers' compliance with new hire reporting laws greatly assists Texas in collecting child support, and in these difficult economic times, timely reporting is even more critical. Many families' incomes are decreasing from a reduction in hours or layoffs. Timely identification of new employees and rehired workers allows the child support program to initiate income withholding more quickly.

To ease the administrative burden of new hire reporting, the OAG offers a variety of reporting methods, including secure and convenient electronic means such as the Internet and electronic file transfer. Most employers who use electronic methods report little or no significant costs to their operations. For

more information, contact us at (800) 850-6442 or go to the OAG Employer website and click on New Hires, then Reporting Methods.

The regular reporting of new hires not only benefits children and families, it also improves the bottom line for employers and taxpayers. The State of Texas cross matches new hire data against workers' compensation, unemployment and public assistance claims to detect unintended overpayment and fraudulent receipt of benefits. Overpayments are recovered and returned to the state.

The OAG commends employers across Texas who comply with the federal requirement to report new hires. If this is your first introduction to the law, please contact the Child Support Division about getting started. For information about new hire reporting, visit the website or contact the Employer Call Center at (800) 850-6442.

Employers are to be commended for their efforts to secure a more promising future for the children and families of this state. The OAG's successful partnership with Texas employers has generated billions of dollars in increased support for children – helping to make their lives more secure.

*- February 2012*